GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3382
ANSWERED ON:18.12.2015
Internationalise the Indian Rupee
Kalvakuntla Smt. Kavitha

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India announced merger of Financial Inclusion Fund and Financial Inclusion Technology Fund to create a new Financial Inclusion Fund with a corpus of Rs.20,000 crore to support developmental and promotional activities for expanding reach of banking services;

(b) if so, the details and the salient features of the said fund; and

(c) the extent to which the move is beneficial to financial sector and developmental provisional activities as well?

Answer

The Minister of State in the Ministry of Finance

(a) to (c) In view of the various developments in the area of Financial Inclusion, Government of India has merged the Financial Inclusion Fund (FIF) and Financial Inclusion Technology Fund (FITF) to form a single Financial Inclusion Fund. The new scope of activities and guidelines for utilization of the new FIF has been finalized by Reserve Bank of India (RBI) in consultation with Government of India. The FIF will be administered by the reconstituted Advisory Board and will be maintained by National Bank for Agriculture and Rural Development (NABARD). The corpus of the fund will be Rs.2000 crore. The fund shall be in operation for another three years or till such period as may be decided by RBI and Government of India in consultation with other stake holders. The objective of FIF shall be to support developmental and promotional activities including creating Financial Inclusion infrastructure across the country, capacity building of stakeholders, enhanced investment in Information and Communication Technology (ICT) solutions etc. with a view to securing greater Financial Inclusion.
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